

# ecoNews — Wire —

IOWA DEPARTMENT OF NATURAL RESOURCES

**January 17, 2003**

For immediate release

- 1. Gasoline prices rise in January**
- 2. DNR investigates manure release near Carroll**
- 3. Iowa's ethanol market share hits another record**
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## **GASOLINE PRICES RISE IN JANUARY**

DES MOINES — Gasoline prices increased 9 cents from December to an average of \$1.39 for a gallon of self-serve, regular unleaded gasoline, according to the DNR's January 15 Gas Monitors survey. Prices across the state ranged from \$1.30 to \$1.54 per gallon and are \$0.30 higher than this time last year. The average price for regular unleaded with ethanol was \$1.38 per gallon. The latest data shows ethanol-blended gasoline represents 59.7 percent of the market share.

Retail conventional unleaded gasoline prices in Iowa are \$0.03 below the national average of \$1.42, and \$0.05 below the regional average of \$1.44 per gallon.

Gasoline prices have risen steadily since December, due to the ongoing oil workers strike in Venezuela and continued tensions in Iraq. High levels of imported gasoline, reduced gasoline demand and an increase in refinery production have kept prices lower, but the loss of Venezuelan crude oil is beginning to be felt in the refining sector. Venezuelan exports accounts for roughly 8 percent of US crude oil and 1 percent of refined gasoline. Since the strike, Venezuela crude oil production is sharply down and the nation has begun importing gasoline, potentially drawing gallons away from the US market.

"Gasoline prices could continue to move higher if the oil workers strike in Venezuela continues. Venezuela is a large supplier of crude oil and refined gasoline to U.S. markets", said Jennifer Moehlmann, energy data analyst for the DNR. "Any further decline in crude oil inventory or reduction in refinery production will push prices higher."

The average price of self-serve diesel fuel for January was \$1.51, up \$0.06 from last month. Diesel fuel was \$1.19 per gallon one year ago. Diesel fuel prices have remained strong due to rising crude oil costs.

Crude oil finished trading on January 16 at \$33.66 per barrel, up \$3.47 from last month. One year ago, crude was \$17.97 per barrel. National crude oil inventory is at 272.3 million barrels, down 12.8 percent from the previous year. The DNR expects crude oil prices to remain volatile over the next month, with prices averaging \$30 to \$35 per barrel.

#### Propane

The January 13 survey found the average price of propane was \$0.90 per gallon. This is up \$0.04 from the previous month and \$0.06 (7.3 percent) above the price of propane at this time last year. By Jan. 10, U.S. propane inventory stood at 47.6 million barrels, down 3.1 million barrels (6.1 percent) from the previous week. U.S. propane inventory is 22.2 percent below last year's level at this time.

#### Heating Oil Prices

The January 13 survey found the average price of No.2 heating oil was \$1.13/gallon, the same as the previous week and \$0.28 above the price of heating oil at this time last year. A year ago, the average price was \$0.85 per gallon. The Department expects heating oil prices to increase a few cents over the next month as heating oil continues its seasonal climb in January, responding to weather-related demand, and is pulled higher by increasing crude oil prices.

#### MOTOR FUELS SURVEY

<b>Self-Serve</b>	<b>December 19</b>	<b>January 16</b>	<b>Change</b>
Regular Unleaded	1.30	1.39	+0.09
Regular Unleaded with Ethanol	1.29	1.38	+0.09
Premium Unleaded	1.41	1.48	+0.07
Diesel	1.45	1.51	+0.06
<b>Full-Serve</b>	<b>December 19</b>	<b>January 16</b>	<b>Change</b>
Regular Unleaded	1.51	1.60	+0.09
Regular Unleaded with Ethanol	1.48	1.64	+0.16
Premium Unleaded	1.60	1.68	+0.08
Diesel	1.55	1.57	+0.02

#### HEATING FUELS SURVEY

	<b>December 16</b>	<b>January 13</b>	<b>Change</b>
Propane	0.87	0.90	+0.03
#2 Heating Oil	1.07	1.13	+0.06

#### AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	<b>December 19</b>	<b>January 16</b>	<b>Change</b>
Ames	1.32	1.40	+0.08
Cedar Rapids	1.24	1.33	+0.09
Council Bluffs	1.31	1.34	+0.03
Davenport	1.24	1.36	+0.12
Des Moines	1.33	1.38	+0.05
Dubuque	1.30	1.41	+0.11
Fort Dodge	1.32	1.46	+0.14
Iowa City	1.32	1.42	+0.10
Sioux City	1.32	1.39	+0.07
Waterloo	1.30	1.35	+0.05
Average Metro Price	1.29	1.38	+0.09

#### AVERAGE SELF-SERVE UNLEADED PRICES IN RURAL IOWA

	<b>December 19</b>	<b>January 16</b>	<b>Change</b>
Northeast	1.31	1.39	+0.08
Northwest	1.34	1.45	+0.11
Southeast	1.31	1.36	+0.05
Southwest	1.30	1.41	+0.11
Rural Area Average	1.31	1.41	+0.10

#### Wholesale Prices in Metropolitan Areas Around Iowa

<b>Unleaded (cents per gallon)</b>	<b>December 12</b>	<b>January 9</b>
Des Moines	78.16	89.47
Dubuque	78.16	90.03
<b>Diesel Fuel (cents per gallon)</b>	<b>December 12</b>	<b>January 9</b>
Des Moines	78.16	89.89
Dubuque	78.16	90.35

**For more information, contact Jennifer Moehlmann at 515-281-8518.**

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#### **DNR INVESTIGATES MANURE RELEASE NEAR CARROLL**

ATLANTIC — The DNR is investigating a manure release that occurred Wednesday from a swine facility owned by James Masching in Carroll County.

The manure flowed through a tile line into Spring Branch, a tributary of the Middle Raccoon River, just a few miles southeast of Carroll.

“Apparently Masching installed a pipe in the berm of a manure storage basin,” said Kirk Mathis, environmental specialist at the DNR field office in Atlantic.

The manure flowed across a farm field to a tile inlet, through a tile line and into the tributary. From there it flowed about four miles downstream and into the Middle Raccoon. Mathis said an estimated 200,000 gallons was released.

Mathis said there is no estimate available yet on the amount of manure that was released. He added that there is also no evidence of a fish kill. However, snow and ice cover on the stream limited visibility.

The appropriate enforcement action will be taken after results of water sampling are received.

The DNR was notified at 4:30 p.m. Wednesday by a local phone call and by staff from Swan Lake State Park, after several people noticed that the creek was running red. Bacteria that are commonly found in anaerobic manure lagoons cause the red color.

**For more information, contact Kirk Mathis at 712-243-1934.**

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## **IOWA S ETHANOL MARKET SHARE HITS ANOTHER RECORD**

DES MOINES — Ethanol-blends reached 59.7 percent of all taxable gasoline sold in Iowa in Nov. 2002. That is the largest market share ever for the renewable fuel, and the fourth month in a row ethanol has broken a market share record.

“Iowans increasingly are choosing ethanol-blends at the pump,” said Jennifer Moehlmann, energy data analyst at the DNR. “Ethanol production helps our economy grow while replacing imported fuels with locally grown resources.”

Iowa’s 10 ethanol plants have the capacity to produce 624 million gallons of ethanol per year, about 23 percent of the nation’s ethanol production. Additionally, seven more plants are planned for construction in the next two years.

The market share for ethanol blends for the entire year of 2002 hovers around 54.9 percent, according to Moehlmann. With December numbers still to be reported, the market share for the entire year could top 55 percent, breaking the year-to-year record.

**For more information, contact Jennifer Moehlmann with the DNR at (515) 281-8518; e-mail: [Jennifer.Moehlmann@dnr.state.ia.us](mailto:Jennifer.Moehlmann@dnr.state.ia.us)**

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## **DNR ENFORCEMENT ACTIONS**

DES MOINES — The DNR has taken the following enforcement actions. Responsible parties have 30 days to appeal the charges or 60 days to pay the penalty.

- John Hahn of Riverside was ordered to pay a \$2,000 penalty, to comply with minimum manure control requirements, and to submit an NRCS report/improvement plan evaluating manure runoff control structures, land application practices and implement improvement plan as specified.
- Kuntz Farms Inc. of Mediapolis was ordered to pay a \$1,000 penalty and, by April 30, 2003, remove and properly land apply all manure in earthen storage basin located in Des Moines County.
- City of Ankeny was ordered to pay a \$10,000 penalty, to properly operate and maintain its wastewater treatment facilities and to comply with effluent limitations.
- Anthony Wendler of Armstrong was ordered to pay a \$3,000 penalty, totally retain all manure in confinement units, remove manure as necessary to prevent overflow or discharge, dispose of all dead animals in a correct and timely manner and to maintain current and correct manure management plans at all sites.
- Landfill of Des Moines, Inc., of West Des Moines was ordered to comply with provisions of its permit by completing closure of the landfill by May 1, 2003 and conducting post-closure care as required. The landfill faces a \$10,000 penalty if the work is not completed by May 1.
- Donald Kurtenbach of Lawler was ordered to pay a \$3,000 penalty and \$4,816 in fish restitution and to comply with manure handling and application requirements and manure release reporting requirements.
- City of Henderson was ordered to complete wastewater treatment facility improvements by Nov. 1, 2004.
- City of Mt. Ayr was ordered to complete upgrades of its wastewater treatment plant to achieve compliance with its discharge permits, to operate and maintain all facilities in good working order and to comply with interim effluent and monitoring requirements.
- City of Lidderdale was ordered to pay a \$500 penalty, complete and submit an application for renewal of its permit and to comply with consumer confidence reporting requirements.

**For more information, contact Kevin Baskins at (515) 281-8395.**